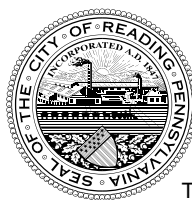


TAX ADMINISTRATION  
815 Washington Street  
Reading, PA 19601-3690



**CITY OF READING**  
**2009 EARNED INCOME TAX**  
**FINAL RETURN**

Phone: (610) 655-6334  
Fax: (610) 655-6242  
E-mail: tax@readingpa.org  
TDD (Hearing Impaired) (610) 655-6442

Address Service Requested

**AP Number**

Due Date  
April 15, 2010

**IF YOU HAVE MOVED DURING THE TAX YEAR, LIST THE ADDRESSES AND MONTHS MOVED BELOW**

Address	City	State	Zip	Period of Time
Old:				Jan thru
New:				thru
				DO NOT ROUND OFF
1. EARNED INCOME FROM W-2(S) (USE STATE WAGES) (ENCLOSE W-2(s) INDICATING ALL INFORMATION FROM BOX 1 THROUGH 20)				
2. OTHER EARNED INCOME (SEE INSTRUCTIONS)				
3. LESS: ALLOWABLE UNREIMBURSED EMPLOYEE BUSINESS EXPENSES (SEE INSTRUCTIONS) (ENCLOSE PA Form UE and Page 1 of PA40)				
4. SUBTOTAL (LINE 1 PLUS LINE 2 LESS LINE 3)				
5. NET PROFITS FROM PA SCHEDULES: C___ F___ RK-1___ OTHER___ (ENCLOSE PA SCHEDULES) <b>BUSINESS LOSSES MAY ONLY BE USED TO OFFSET OTHER NET PROFITS, NOT EARNED INCOME</b>				
6. TOTAL TAXABLE EARNED INCOME (LINE 4 PLUS LINE 5)				
7. TOTAL LOCAL INCOME TAX (2.7%) (MULTIPLY LINE 6 BY 0.027)				
8. ENTER TOTAL LOCAL INCOME TAX SHOWN ON W-2's (ENCLOSE W-2's)			8a	Add 8a and 8b
TOTAL ESTIMATED PAYMENTS AND PRIOR YEAR CREDITS.			8b	8c
9. IF LINE 7 IS LARGER THAN LINE 8c, ENTER UNPAID BALANCE (\$35.00 SERVICE CHARGE WILL BE ADDED TO ALL RETURNED CHECKS) DO NOT ROUND OFF				
10. IF LINE 8c IS LARGER THAN LINE 7, ENTER REFUND DUE HERE (SEE INSTRUCTIONS)				
11. INTEREST AND PENALTY (SEE INSTRUCTIONS)			11a.	
11b. PAY BALANCE DUE (LINE 9 PLUS LINE 11a) DO NOT ROUND OFF				

**TOTAL AMOUNTS OF LESS THAN \$1.00 NEED NOT BE PAID, NOR WILL THEY BE REFUNDED**

I DECLARE UNDER PENALTIES PROVIDED BY LAW, THAT THIS RETURN HAS BEEN EXAMINED BY ME AND IS, TO THE BEST OF MY KNOWLEDGE, A COMPLETE RETURN.

SIGNATURE	DATE	PHONE NUMBER	SOCIAL SECURITY # REQUIRED
TAX PREPARER'S SIGNATURE	DATE	PHONE NUMBER	

**INSTRUCTIONS AND DEFINITIONS FOR FILING LOCAL EARNED INCOME TAX, CITY OF READING, PA  
FOR FILING ASSISTANCE PLEASE CALL (610) 655-6334**

**JOINT RETURNS ARE NOT PERMITTED. DO NOT ROUND OFF NUMBERS.**

**WHO MUST FILE:** Every individual who is a legal resident of the City and School District of Reading, Pennsylvania, regardless of age (if under 18 years of age, please provide date of birth by the name listed on the return) having earned income from January 1 through December 31. The return shall be filed with the City of Reading Tax office by April 15, declaring all earned income. Part year residents see \* below. If no income was earned, **the tax return must be mailed back clearly indicating your status on Page 1 of form: “Retired”, “Disabled”, “Public Assistance”, “Homemaker”, etc.** If you filed Federal Form 4868-Application for Extension, please attach a copy to the Individual Earned Income Tax return.

**Line 1 Earned Income from W-2(s) [USE STATE WAGES]:** All earned income (gross earnings) is taxable and is defined as income received for personal services rendered, irrespective of where such services are performed. Refer to Pennsylvania State Tax instructions for line 1 of Form PA-40. An exception is Clergy Housing Allowance which is not taxable for local earned income tax purposes.

**Line 2 Other Earned Income:** Tips Received; Director’s Fees; Taxes Assumed by Employer; Stock Options (when not declared on W-2 as wages); Incentive Payments; Fellowship (when compensation for services); Compensation in the form of Property (taxed on its Fair Market Value); Executor’s Fees; Jury Duty Pay; Stipends, and various other employer paid fringe benefits (exclude premiums on excess Group Life Insurance). Enclose applicable 1099-MISC forms, (*NOTE: If amount listed on Box 7 on 1099-MISC is larger than \$600.00, a Schedule C form must be filed for this income and must be includable on line 5 and not on line 2.*)

**Line 3 Allowable Unreimbursed Employee Business Expenses:** Expenses as defined by the Commonwealth of Pennsylvania. A copy of the PA UE-1 and/or UE-2 as well as all supporting supplemental documents (example Federal Form 2106 for mileage) must be enclosed with the Local Earned Income Tax return.

**NOTE: SHOULD THE TAXPAYER OMIT ANY OF THE REQUIRED EXPENSE DEDUCTION FORMS, OR IF THE EXPENSE DEDUCTION FORMS ARE NOT FULLY COMPLETED, THE EXPENSE DEDUCTION SHALL BE SYSTEMATICALLY DISALLOWED WITHOUT NOTIFICATION TO THE TAXPAYER.**

**Line 5 Net Profits/Losses from PA Schedules C, F, RK-1:** (PA Schedule C-F filers must enclose a copy of Federal Schedule C form.) Non-passive income only. Each business, profession, partnership, etc. must be reported separately. Guaranteed payments to partners are taxable as Earned Income. Losses from passive activities, i.e. rental activities (reported as passive income on the Federal 1040 Schedule E) and/or investment activities (including proceeds from Subchapter S Corporations) are not deductible. Business losses may only be offset by other net profits, not earned income.

**Line 8 Total Local Tax on W-2’s:** For taxes paid to other states or to the City of Philadelphia, please call our office for assistance, (610) 655-6392.

**Line 10 Refund Due:** Incomplete or inaccurate requests for refunds shall be adjusted without notification to taxpayer.

**Line 11 Interest and Penalty:** If you file after April 15 and owe tax, add penalty and interest of 1% per month of line 9.

**Line 11b Pay Balance Due:** Line 9 plus Line 11 (if applicable). Enclose check or money order, payable to the City of Reading, with this return if you owe \$1.00 or more. **DO NOT SEND CASH.** Payment plans are available; additional penalty and interest may apply.

**NOTE:** Non-taxable income (do not include in this return as income): social security benefits; pensions; alimony; third-party sickness or disability payments from insurance; capital gains or losses; proceeds from Subchapter S corporations; active military pay or bonuses; income from stocks or trusts; rent from “investment” ownership; death benefits; proceeds from life insurance policies; gifts and bequests; interest; dividends; public assistance; unemployment compensation; gambling winnings; meals and lodging for employer’s convenience, and clergy housing allowance.

**\* PART-YEAR RESIDENTS:** Declare only the earnings and tax withheld during the period while a legal resident of the City of Reading, PA. **Attach a copy of the Earned Income Tax return filed with other municipality(ies).** Income, expenses, net profit/loss and tax withheld must be prorated for the period of time residing within the City of Reading, PA.

You are entitled to receive a written explanation of your rights with regard to the audit, appeal, enforcement, refund and collection of local taxes by calling the Tax Administration Division at the number on this letter or 610 655-6337 during the hours of 8:00 AM – 4:00 PM Monday through Friday.